



## CAFCA Presentation

### Governor's Cabinet on Nonprofit Health and Human Services

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## CAFCA & CT CAAs

- \* CAFCA is the umbrella organization of Connecticut's 11 federally and state designated anti-poverty Community Action Agencies that work to empower people throughout Connecticut's 169 cities & towns.
- \* CAFCA strengthens the capacity of its members to foster economic self-sufficiency, and the stability of individuals, families and communities.
- \* CAAs utilize diverse funding sources and serve as economic employment and service centers in our communities, directing over \$300 million toward fighting the causes and conditions of poverty and employing almost 3000 people.
- \* CAAs create local community partnerships and last year reported over 2,364 partnerships.

## Services & Programs

- \* CAAs utilize a Results Based Accountability (RBA) framework to track, analyze and report outcomes and collaborate across silos with state government, nonprofit providers and businesses to help families avoid prolonged crisis.
- \* We provide a customer-focused, integrated service delivery system to empower people with information, consistent support, job training and other vital supports.
- \* We administer a variety of programs to serve families in need such as Energy Assistance & Weatherization, Early Childcare and Education, Elderly Services, Housing Assistance, Substance Abuse, Food Pantry, and Alternative Incarceration, to name a few.

## What's The Purpose and Content of the CT Poverty Report?

This report spans a 20 year period ending in 2010 and accomplishes 3 tasks:

- 1. Describes how deep and wide the conditions of poverty are that exist in Connecticut in statistical, anecdotal, narrative and graphic form.
- 2. Provides details about the nature of poverty in Connecticut and suggests basic concerns for Connecticut's ability to employ more of its residents.
- 3. Offers recommendations for reversing the trend and, more importantly, making Connecticut a place where all citizens do not just survive—they thrive.

## What are the issues?

- A 45% growth in the number of Connecticut residents living below the Federal Poverty Line (versus about 8% growth in total population) during the 20-year period studied.
- Connecticut had the worst job creation record in the nation over the 1990-2010 period studied, and there were fewer jobs in Connecticut in 2010 than there were in 1990.
- Connecticut missed out on the technology-related job growth in the 1990's, depriving the state of the foundations on which much employment at the national level grew after 2000.
- Connecticut has not effectively created or supported educational opportunities or developed other conditions that support job creation.

## Why does this matter?

- As of 2010, 720,000 Connecticut residents—21% of Connecticut's total population—were living at or near poverty (incomes below 200% of the Federal Poverty Line). 314,000 or 9% of Connecticut's total population – were living below the federal poverty line.
- Many Connecticut residents are seeking public assistance from Connecticut's Community Action Agencies (CAAs) for the first time. Called the "new poor," they drive home the fact that many are truly "one paycheck away" from poverty.
- Two population groups grew at a pace that far exceeds Connecticut's overall population growth of 8%: those 65 or older and those living below the federal poverty line, 12% and 45% respectively.

## How is Poverty Defined?

Poverty Definitions for 2010 (upper limits)	% of measure	HHS Poverty Guidelines (FPG)		Census Poverty Thresholds (FPT)	
		1 Adult	2 Adults & 2 Children	1 Adult	2 Adult & 2 Children
Very Poor	Less than 100%	\$ 10,830	\$ 22,050	\$ 11,139	\$ 22,113
Poor	Less than 200%	\$ 21,660	\$ 44,100	\$ 22,278	\$ 44,226

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## Significant Findings: 1990-2010

- The number of Very Poor (those subsisting below the FPL) increased 21% during the 2000s to over 314,000 people, accounting for 9.2% of Connecticut's total population versus in 1990, when there were 217,300 Very Poor residents making up 6.8% of the state's population.
- In 2010, 720,000 people, or 21% of all residents in Connecticut, either lived in poverty or faced the uncertainty of falling into poverty.
- In 2010, nearly 1 in 10 residents had incomes below the Federal Poverty Line (FPL), about \$11,000 for an individual or \$22,000 for a family of four.

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## Primary Factors Contributing to Poverty

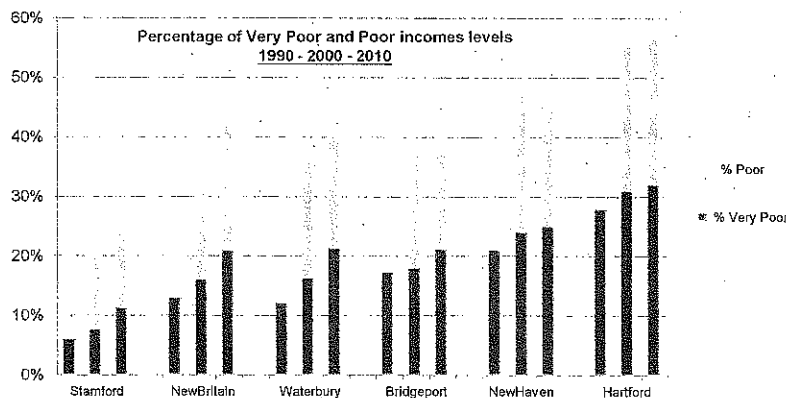
- Since 2000, stagnated employment significantly reduced the number of jobs that provide a pathway out of poverty (paying less than \$40K yr.).
- CT had the worst job creation record in the nation over the 1990-2010 period while working age population grew by 120,000 people, driving unemployment rates up especially in poorer communities.
- CT missed out on the technology-related job growth in the 1990's meaning no jobs in areas where other states nationally grew significantly.
- Connecticut has not effectively created or supported educational opportunities or developed other conditions that support job creation, with worse graduation rates occurring in the areas of most dense poverty.

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## Poverty's Growth In Connecticut

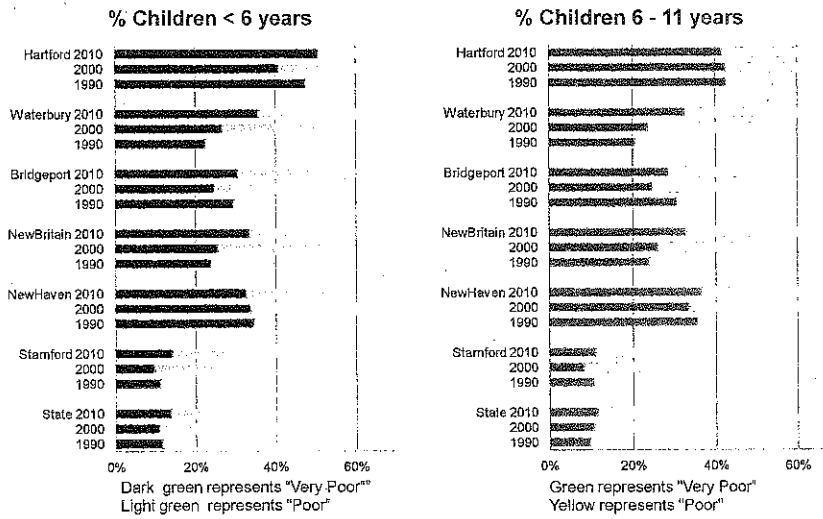
The percent of people subsisting on Very Poor incomes (that is, <99 FPG) in CT's urban areas has increased steadily from 1990 to 2010. Adding a component for Poor in 2000 and 2010 shows the magnitude of this huge challenge.



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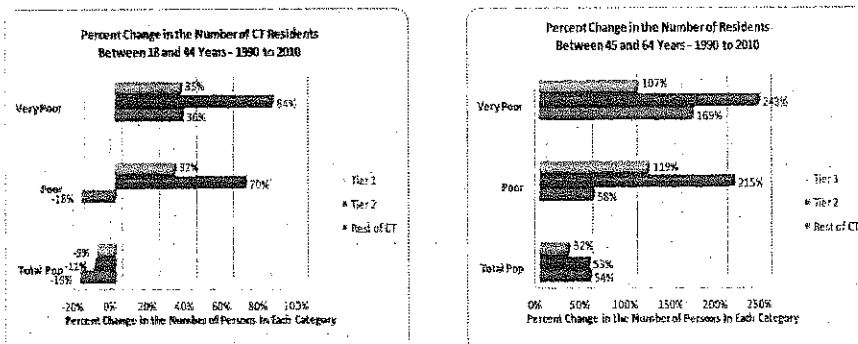
## Demographics: Children in Poverty



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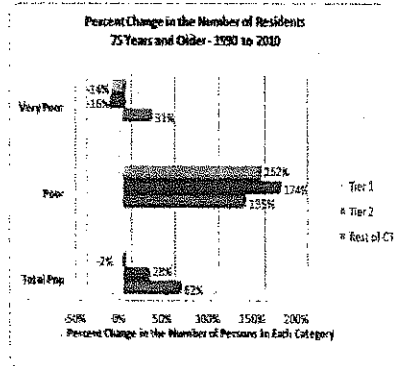
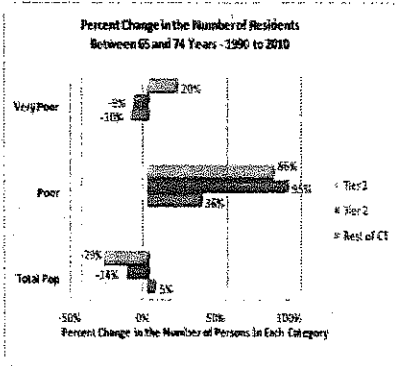
## Demographics: Working Age Adults



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## Demographics: Retired Persons



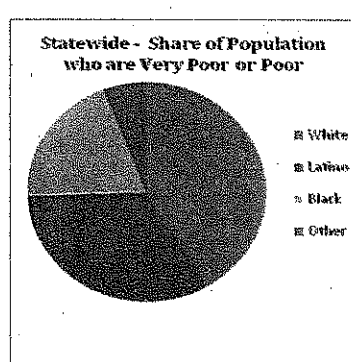
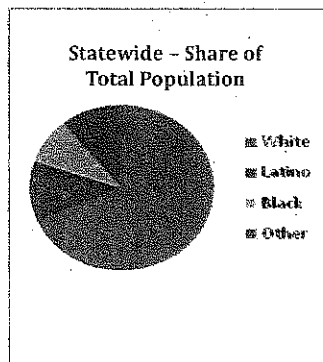
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## Demographics: Race/Ethnicity

In Connecticut's major cities, a resident's chances of being Poor or Very Poor increases markedly if they are non-white.

While the Latino population makes up 13% of the state's population, they account for 34% of those who are Very Poor and Poor.

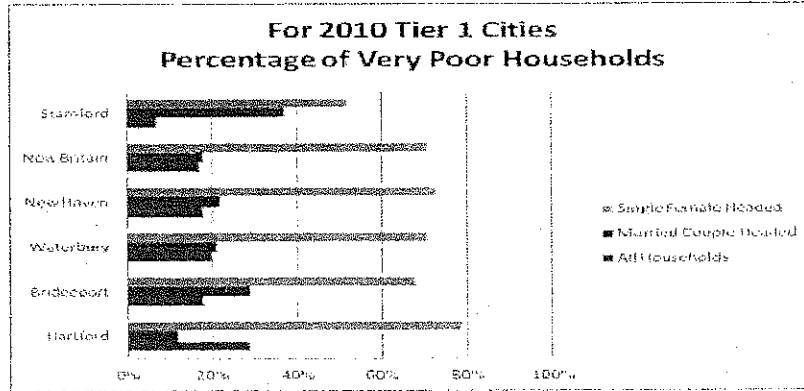


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## Demographics: Family Structure

- Family structure is increasingly a marker for poverty.
- The percentage of households classified as Very Poor in 2010 in Tier 1 cities, whether with a couple or a single female.

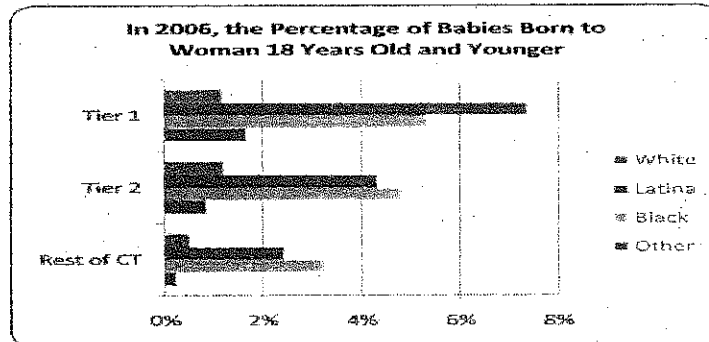


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## Demographics: Teen Births

- Within Connecticut's Tier 1 towns in 2006, 58% of Latina women who gave birth were younger than 18 years old.
- For African Americans, this percent was 27% and for Tier 1 whites, 7%.



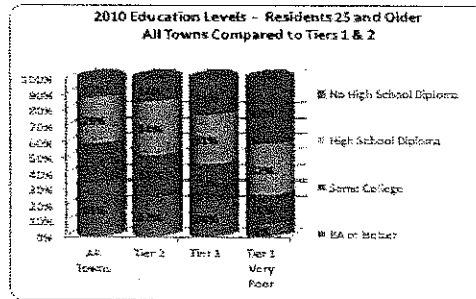
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## Demographics: Education

- On a statewide basis, Connecticut is making strides to improve its “educational attainment”—the percentage of students who earn a high school degree or better.
- Connecticut’s major cities, however, struggle to attain educational outcomes that enable its residents to move out of poverty through gainful, rewarding employment.

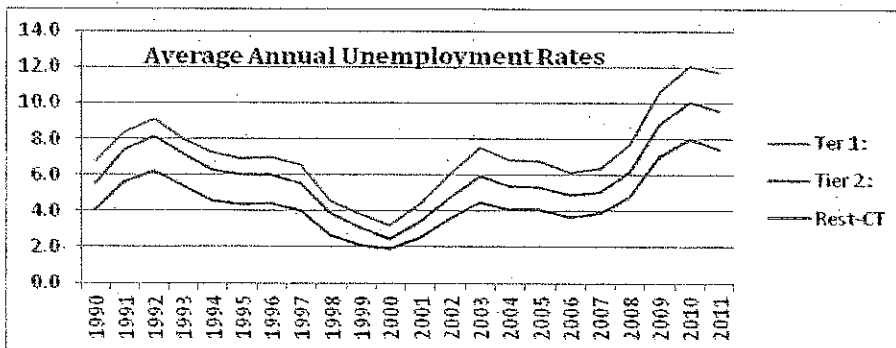


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## Employment Trends

- Poor economy, measured by continuing unemployment
  - 160,000 workers with incomes less than \$40,000 no longer have jobs.



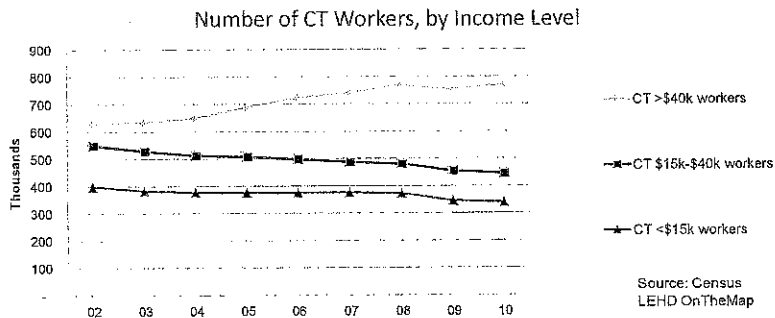
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## Employment Trends

### Job Losses 2002 – 2010

- 58,000 jobs paying less than \$15,000 were lost, approx. 2% per year
- 103,300 jobs paying between \$15,000 and \$40,000/year were lost, approx. 2.5% per year



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## Environmental and Political Issues

- The state's business-to-business sales tax requires the seller to know the final use for its customers' products to set rates;
- Permitting by both Department of Energy and Environmental Protection (DEEP) and Public Utilities Regulatory Authority (PURA) provide an example, where a New Haven business is unable to distribute the electricity generated from a state-funded fuel cell program to their building's tenants.
- Prior to 2010, the state failed to develop a robust pipeline of capital projects.
- Systemic lack of sufficient data organization and analysis to track state and municipal capital projects, the dynamics of firm creation, and the linkages in the education-workforce pipeline.

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## Recommendations

- Implement a comprehensive, state-wide economic development plan including taxation; permitting, and capital projects.
- Align credential requirements with job-specific tasks to reduce burdens to individuals trained and wanting to work.
- Support education and training initiatives with a focus on preparation for entry into careers with ladders that lead out of the lowest salary stratum.
- Create a data center to track, store and analyze economic and jobs-related data in an ongoing and consistent manner to provide more fully informed decision-making.

## Sources of Data

- U.S. Census Bureau
- U.S. Bureau of Labor Statistics
- U.S. Department of Health and Human Services
- Connecticut Employment and Training Commission
- Connecticut Department of Health
- Connecticut Department of Social Services

Questions?

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